

Parts Manager Conversation

Collaborate with your Parts Manager to answer the following questions. Use this opportunity to share new ideas from the class and to coach your Parts Manager on how they can be implemented. Be sure to respect their expertise. **Provide your answers in a different color font.**

1. What formal parts management training does your parts manager have (for example, the NADA Academy Seminar)? **No NADA, 17 years of Honda auto parts training, Parts Excellence award numerous times. 17 years of Mitsu training, Triple Diamond award level numerous times.**
2. Does your Dealership/Parts department have a Vision statement that all departmental employees know and understand? What is it? **No. Would be something like "trade these parts for money"**
3. Have you ever tracked your First Time Fill Rate (FTFR) manually (not using the DMS or your OEM)? What is your current Repair Order FTFR? **Nearly 100% if you include oil changes**
4. What percentage of your business comes from Inside (RO/Internal/Warranty/Body Shop) vs Outside (Counter Retail & Wholesale)? **See Financial Statement**
5. What policies, controls, and security are in place on your DMS (via Privileges and/or the Exception or Deviation Reports) to prevent counter people from changing the pricing structure during daily transactions? **Counterpeople are empowered to use their best judgement to secure the sale and /or utilize policy to remedy a situation.**
6. Who can change/override parts pricing? Cashier? Service Director/Manager? Service Advisors? **Managers , counterpeople and advisers are empowered to use their best judgement to secure the sale and /or utilize policy to remedy a situation. Unable to review because Dealertrack wants one time \$700 fee PLUS \$400 monthly fee to provide a detailed report of cost and count changes.**
7. Are you at Retail pricing for Internal? Who established your Internal parts pricing policies? Are they current? **Cost + 67% normally, as above, can be flexible to assist salability of vehicle**
8. If you are in a Retail Reimbursement for Warranty state, are you at retail for warranty? If not, when was the last time you petitioned the OE for retail reimbursement? **We are at retail rate for warranty**

9. Do the Parts, Service and Body Shop Managers work with the Office Manager/Controller monthly to follow up on all Work in Process (WIP) documents. Do they verify that all parts invoices and repair orders are closed out in a timely manner? What does this look like? **no**
10. Is the financial statement for the Parts department given to the manager and discussed on a weekly/monthly basis? If not, is a daily operating report of sales, gross profit, etc., provided to the Parts Manager for review (DOC)? **no**
11. What is your retail pricing strategy for your Parts department? How often do you check to see whether your pricing goals are being achieved? **Counterpeople are empowered to use their best judgement to secure the sale**
12. How often do you audit your dealership's Parts web page? How often are coupons, hours of business, etc., reviewed and updated? **regularly**
13. Do you have a Parts online eStore? How do you ensure that parts order forms/queries are responded to in a timely manner? Who gets the email leads/questions? **Per verbal conversation**
14. What sales training is available to Parts personnel? If training is available, is it mandatory? How often are sales skills assessed, tested, and refreshed? **Mitsubishi offers training, everyone is complete**
15. Do you have a process to offer accessories to 100% of your New and Used customers? If so, what does it look like? If not, why not? **Should be promoted in or before Finance. In the 80's the customers would stop in the accessory "office" before Finance.**
16. What would help you sell more accessories? **Verify: Some kinda holdup with how vehicles are advertised on internet... based on vehicle invoice irregardless of add-ons at the dealership**
17. Do you review your wholesale customers to see if their sales, gross, and returns justify the expense of conducting business with them? How often are they reviewed? **Per verbal conversation**
18. Do you know how much each of your Parts salespeople must sell each day just to breakeven? **Break even when? At month end including all fixed operation expenses? At year end after all quarterly, yearly and amortized expenses?**
19. What procedures do you have in place to ensure inventory accuracy and integrity? How are variances communicated to the accounting office? **Routine bin checks**

20. Are lost sales being tracked in your DMS? Do you have a common definition that all counter people understand? What is your definition? [Per verbal conversation, creates false demand because of double hot on activity.](#)
21. What is the biggest obstacle to getting your Special Order parts off the SOP shelves and installed/picked up? [Covid](#)
22. In your store, what do you feel is the biggest cause of frozen capital and/or obsolescence? What is the current dollar value of your obsolescence? [No problem with obso.](#)
23. What is your phase in/phase out strategy? How do you balance this strategy with factory recommended stocking guidelines (RIM, ARO, Parts Eye, etc.)? [PartsEye dictates phase-in/out per Dealer Franchise Agreement](#)
24. On a scale of 1-10 (10 = expert level) what is your level of understanding of the information that is on your DMS's monthly summary? [Exemplary](#)
25. What is the one thing that your organization can do or provide to help the Parts Manager do their job more effectively? [I honestly have 17 pages of faults / shortcomings/ illogical procedures with Dealertrack. That's a long conversation.](#)